



Finance Committee Briefing

July 2021 YTD Results

General Fund

September 1, 2021



July Overview

- **Revenues** have climbed 10.2% or \$10.9 million compared to the same period in 2020.
- The income tax rate of growth through July has slowed marginally compared to June YTD, trending 9.1% or \$7.2 million higher, largely as a result of an unsustainable level of growth in the corporate profits tax.
- All revenue categories exceed budget except Other Charges for Services and Other Revenues.
- **Personnel** expenses are under budget by \$200,000. There were 16 pays for the SA pay group through July of 2020 vs 15 pays in 2021. After adjusting for the \$1.4 million difference, personnel is down 0.8%, or \$608,600.
- **Contracts, Materials & Other Uses** are down \$1.3 million or 6.4%, largely due to the timing of RDC payments and an insurance payment adjustment.
- Through July, Sources exceeded Uses by \$15.1 million. Expenditures will pick up in the second half of 2021, which will erode this balance.

July 2021 YTD

(In millions, does not include Special Projects)										
Revenues	2021						2020 YTD Actual	2021 YTD Actual	'20-'21 \$ Chg.	'20-'21 % Chg.
	2021 Orig. Budget	Revised Budget	2021 YTD Budget	2021 YTD Actual	\$ Budget Variance	% Budget Variance				
Income Tax	127.8	137.7	82.1	86.6	4.5	5.5%	79.4	86.6	7.2	9.1%
Property Taxes & Other Taxes	6.0	6.4	5.1	5.8	0.7	13.8%	3.8	5.8	2.0	51.8%
Waste Collection	9.1	9.8	6.1	6.1	0.0	0.2%	5.9	6.1	0.1	2.1%
EMS Fees	4.7	4.8	2.7	2.8	0.1	3.2%	2.7	2.8	0.1	2.9%
Other Charges for Services	9.2	9.5	5.6	5.6	(0.0)	-0.5%	5.5	5.6	0.1	2.3%
Local Government Fund	7.1	7.1	4.0	4.7	0.6	16.1%	3.8	4.7	0.9	23.5%
Other Intergovernmental	4.0	4.0	2.7	3.0	0.3	9.6%	2.0	3.0	1.0	49.8%
Fines and Forfeits	0.3	0.6	0.3	0.4	0.0	4.6%	0.1	0.4	0.2	140.7%
Licenses and Permits	2.0	2.5	1.5	1.9	0.4	22.9%	1.2	1.9	0.7	60.4%
Other Revenue	3.7	3.9	1.9	1.6	(0.3)	-16.2%	3.0	1.6	(1.4)	-47.5%
Total Sources	173.8	186.2	112.1	118.4	6.2	5.5%	107.4	118.4	10.9	10.2%
Use of Cash Reserve	3.0	0.0	0.0	0.0	0.0	N.A.	0.0	0.0	0.0	N.A.
Total Sources & App. Fund Balance	176.8	186.2	112.1	118.4	6.2	5.5%	107.4	118.4	10.9	10.2%
Expenditures & Other Uses										
Personnel	125.0	128.0	74.0	74.2	(0.2)	-0.3%	76.2	74.2	(2.0)	-2.6%
Contracts & Materials & Other Uses	39.6	40.7	24.0	19.0	5.0	20.9%	20.3	19.0	(1.3)	-6.4%
Capital Equipment	2.0	2.4	0.2	0.2	0.0	0.0%	0.6	0.2	(0.4)	-67.7%
Capital Improvements	2.0	2.0	2.0	2.0	0.0	0.0%	1.5	2.0	0.5	35.3%
Development	2.3	3.0	2.3	2.3	0.0	0.0%	3.0	2.3	(0.8)	-25.0%
Demolition	1.0	1.0	1.0	1.0	0.0	0.0%	0.8	1.0	0.3	33.3%
Issue 9 - New Services/Investments	4.9	8.3	4.5	4.5	0.0	0.0%	8.2	4.5	(3.7)	-44.8%
Total Uses	176.8	185.4	108.1	103.3	4.8	4.5%	110.6	103.3	-7.4	-6.7%
Excess/(Shortfall) of Sources over Uses	0.0	0.8	4.0	15.1			-3.2	15.1		

Revenue Trends

Income Tax

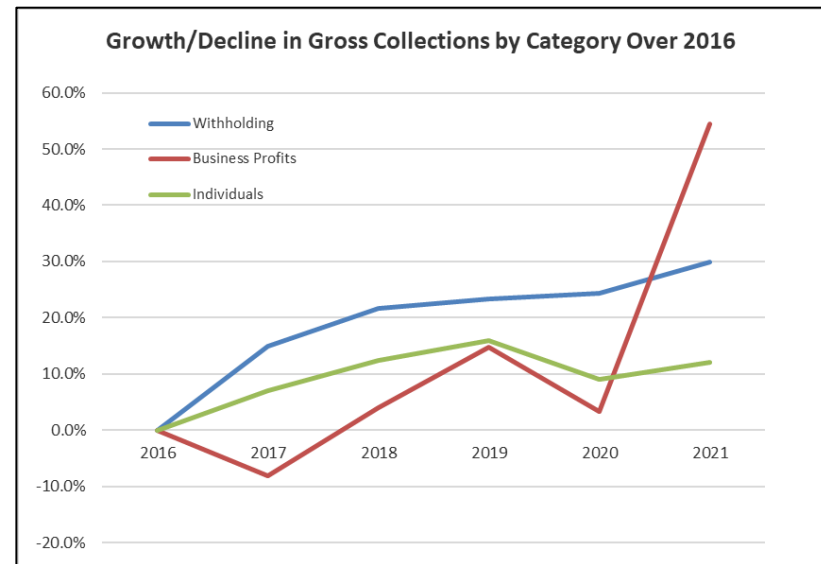
- Through July, net collections were up 9.1% or \$7.2 million compared to July of 2020.
- Withholding taxes were higher by 4.4% or \$3.1 million.
- The growth in the business profits tax remained elevated but slowed this month; climbing nearly 50% or \$3.7 million over the same period last year.
- Refunds declined 10.7%, or \$200,000, which continues to bolster 2021 net collections.
- The change in YTD non-withholding slowed from the previous month, supporting the assertion that this level of growth is not sustainable.
- The losses from work-from-home options will not be realized until 2022; although refunds in 2022 will apply to earnings in calendar year 2021.

Collections by Category

Category	2018	2019	2020	19-'20 % Chg.	2021	20-'21 \$ Chg.	20-'21 % Chg.
Withholding	68.4	69.3	70.0	0.9%	73.0	3.1	4.4%
Business Profits	7.6	8.3	7.5	-10.0%	11.2	3.7	49.4%
Individuals	3.8	3.9	3.7	-6.0%	3.9	0.3	7.3%
Gross Collections	79.8	81.6	81.1	-0.5%	88.2	7.0	8.7%
Refunds	(1.9)	(2.3)	(1.8)	-22.0%	(1.6)	0.2	-10.7%
Net Collections	\$ 77.8	\$ 79.3	\$ 79.4	0.1%	\$ 86.6	\$ 7.2	9.1%

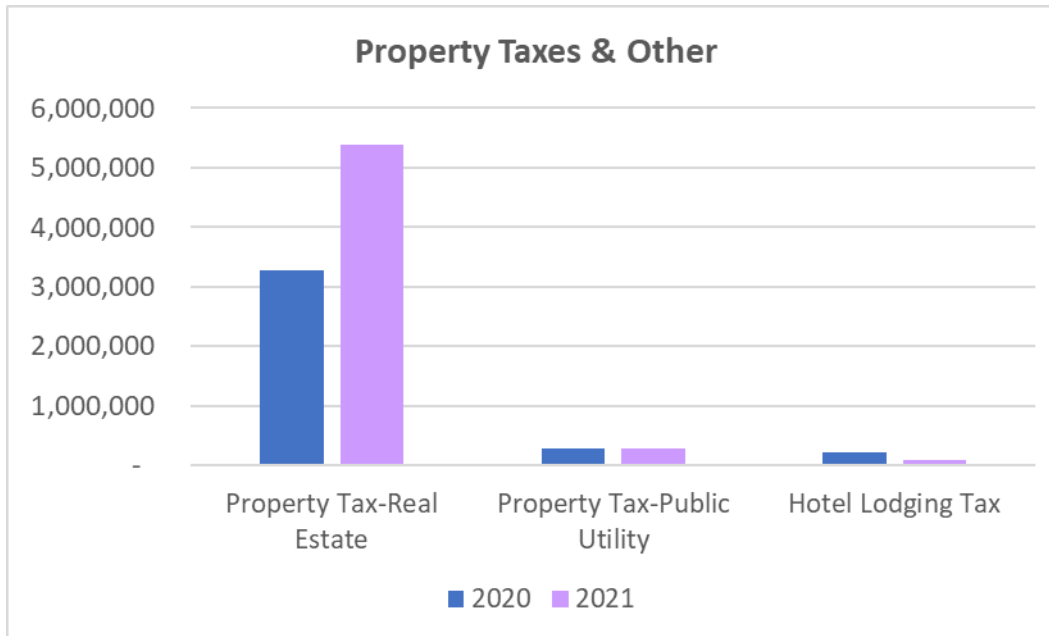
Monthly Net Collections

Month	2018	2019	2020	2021	20 - '21 \$ Chg.	20-'21 % chg.
January	13.36	11.09	12.64	13.65	1.01	8.0%
February	8.19	9.62	10.65	9.27	(1.38)	-12.9%
March	10.33	11.25	12.03	11.64	(0.39)	-3.3%
April	15.74	15.42	11.96	16.45	4.49	37.5%
May	9.55	10.15	9.18	12.59	3.40	37.0%
June	10.42	11.63	10.75	11.11	0.37	3.4%
July	10.24	10.16	12.14	11.88	(0.26)	-2.1%
YTD Total	\$ 77.83	\$ 79.31	\$79.37	\$86.60	\$ 7.24	9.1%



Revenue Trends

Property Taxes & Other



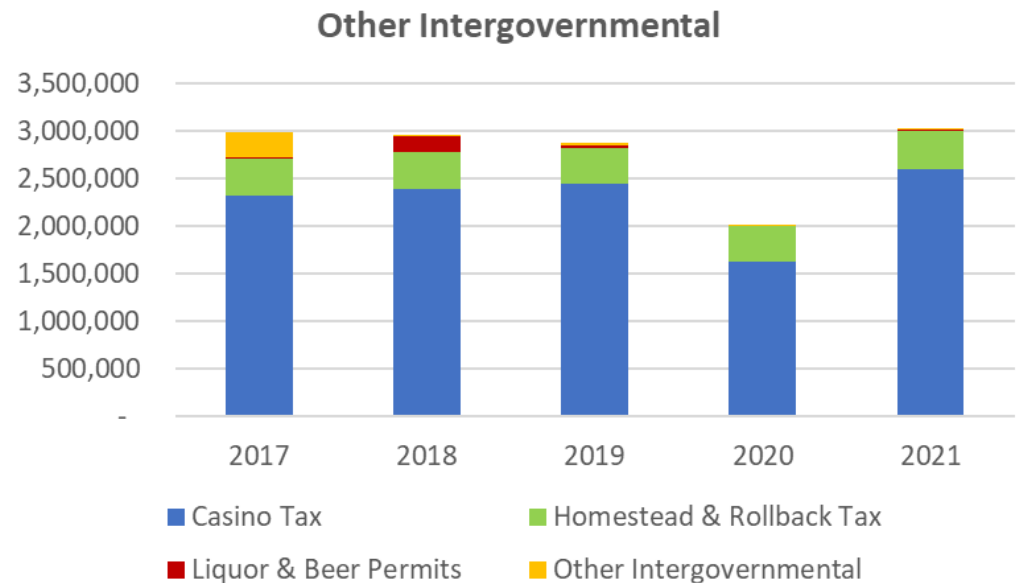
- Property Taxes & Other revenue rose 52% or \$2.0 million through July, compared to 2020.
- The Real Estate component increased 64% or \$2.1 million due to timing. The County Auditor extended the second half payment deadline in 2020, resulting in a lower number of advances through July of 2020.
- The actual level of growth will be determined after the second half settlement posts.
- When compared to the YTD budget, actual Property Taxes & Other collections are over budget by \$700,000, due to the higher level of advances.
- The Hotel Lodging Tax declined 62% or \$143,700. Effective April 1, lodging taxes are remitted to the Convention Facilities Authority to support operations & capital improvements.

Property Taxes & Other	2017	2018	2019	2020	2021	'20 - '21 \$ Chg.	'20 - '21 % Chg.
Property Tax-Real Estate	3,640,686	4,265,157	4,388,133	3,283,775	5,392,603	2,108,828	64.2%
Property Tax-Public Utility	220,500	245,347	261,622	282,003	282,701	697	0.2%
Subtotal	\$3,861,186	\$4,510,504	\$4,649,755	\$3,565,778	\$5,675,304	\$2,109,526	59.2%
Hotel Lodging Tax	346,809	384,931	488,813	232,831	89,174	(143,657)	-61.7%
Total Property Taxes & Other	\$ 4,207,995	\$ 4,895,435	\$ 5,138,568	\$ 3,798,610	\$ 5,764,478	\$ 1,965,868	51.8%

Revenue Trends

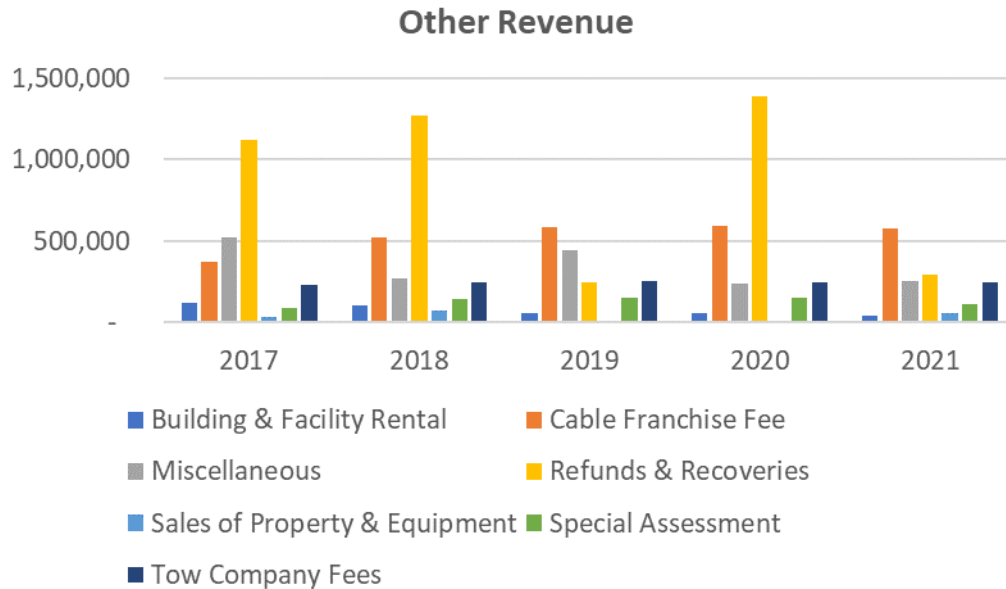
Other Intergovernmental

- Other Intergovernmental revenues exceeded the YTD budget by \$279,500 and were up 49.8% from July 2020.
- Casino Tax was up \$975,200 or 60%, reflecting reopening following COVID.
- Homestead & Rollback Tax was also up \$33,800 or 9%.
- Liquor and Beer Permits declined \$5,100.



Other Intergovernmental	2016	2017	2018	2019	2020	2021	20-'21 \$ Chg.	20-'21 % Chg.
Casino Tax	2,383,917	2,324,900	2,394,502	2,447,588	1,626,464	2,601,650	975,186	60.0%
Homestead & Rollback Tax	388,301	382,541	379,311	373,834	367,089	400,904	33,815	9.2%
Liquor & Beer Permits	13,042	11,653	173,103	17,423	10,066	4,925	(5,142)	-51.1%
Other Intergovernmental	284,959	259,496	8,085	38,972	4,381	158	(4,224)	-96.4%
Total	\$3,070,219	\$2,978,589	\$2,955,001	\$2,877,816	\$2,008,000	\$3,007,635	\$999,635	49.8%

Revenue Trends



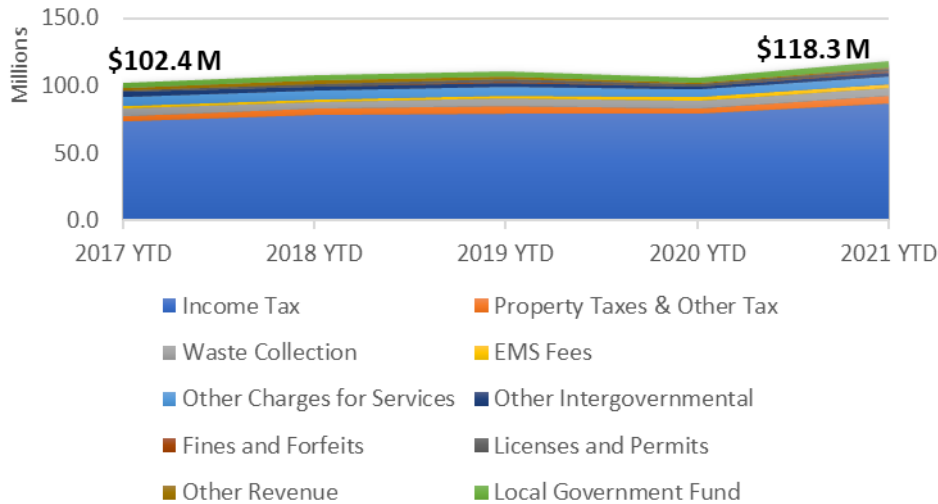
Other Revenue

- Compared to YTD Budget, Other Revenue was under by \$303,700.
- Other Revenue decreased 47.5%, or \$1.4 million, compared to July YTD 2020.
- The decline is being driven by Refunds & Recoveries, which were down 79% or \$1.1 million. In 2020 we received the first of three BWC rebates in May but do not anticipate any rebates this year.
- Cable Franchise Fees were also down \$14,500 or 2.5%, after trending higher in 2019 and 2020.

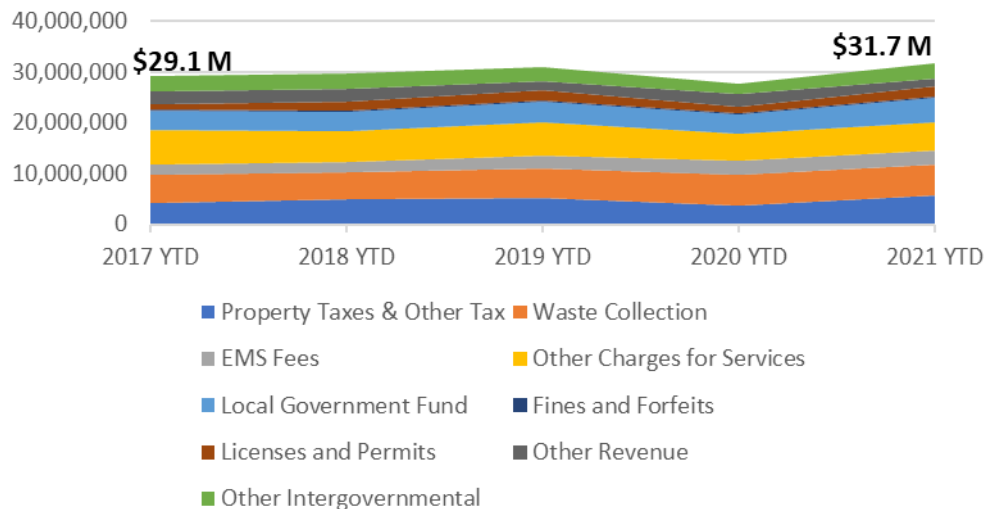
Other Revenue	2017	2018	2019	2020	2021	20-'21 \$ Chg.	20-'21 % Chg.
Building & Facility Rental	116,314	102,585	53,468	53,358	39,375	(13,983)	-26.2%
Cable Franchise Fee	371,630	521,475	581,855	589,791	575,325	(14,465)	-2.5%
Miscellaneous	519,517	270,517	440,704	238,111	251,580	13,469	5.7%
Refunds & Recoveries	1,125,998	1,275,839	248,622	1,393,899	293,947	(1,099,952)	-78.9%
Sales of Property & Equipment	32,407	71,392	7,649	3,881	53,567	49,686	1280.2%
Special Assessment	85,584	141,980	149,488	150,430	113,064	(37,366)	-24.8%
Tow Company Fees	230,236	247,200	250,024	248,789	248,524	(265)	-0.1%
Unclaimed Funds				324,724	-	(324,724)	-100.0%
Total	\$2,481,685	\$2,630,989	\$1,731,809	\$3,002,983	\$1,575,381	\$ (1,427,602)	-47.5%

Revenue Trends

July YTD Revenue Including Income Tax



July YTD Revenue Excluding Income Tax



Big Picture

- Income tax represents 73% of General Fund revenues, followed by Waste Collection at 5.1%, and Property Taxes & Other at 4.9%.
- Since 2017, total revenues have grown 15.6%, or almost \$16 million.
- In the absence of Income Tax, General Fund sources were up \$2.6 million, or 9.0%.
- Eight categories have realized increases since 2017, with the largest attributable to Income Tax, followed by Property & Other Taxes and Licenses & Permits.
- Other Charges for Services declined \$1.2 million, as a result of the Convention Center being transferred to the CFA.
- Other Revenue declined \$906,300.

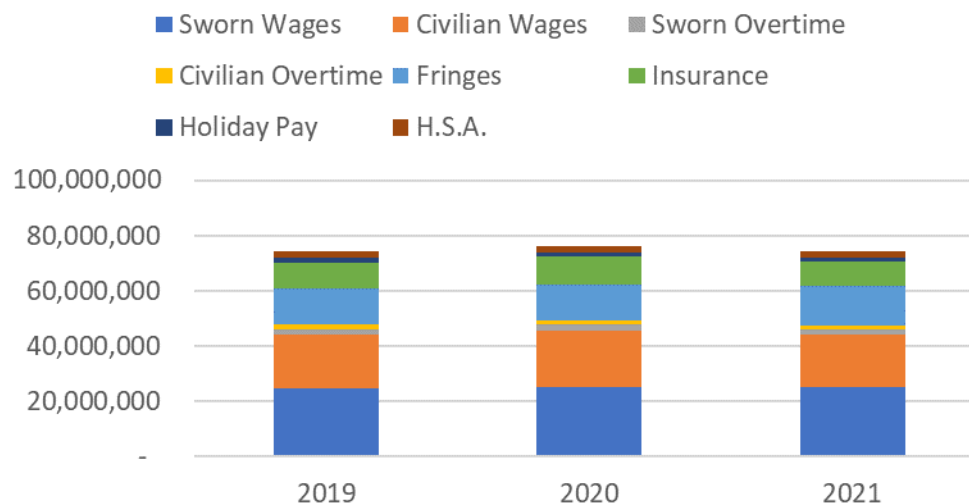
Expenditure Trends

Personnel Costs

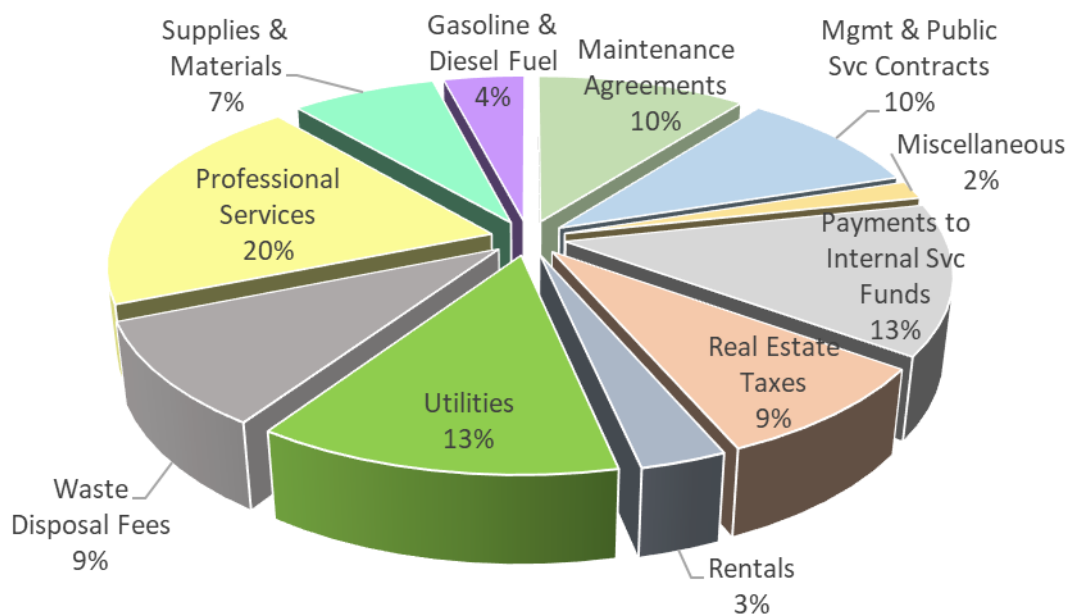
- Personnel costs were down 2.6%, or \$2 million, compared to last year.
- There were 16 pays for the SA pay group through July of 2020 versus 15 pays in 2021. After adjusting for the \$1.4 million difference, personnel costs were down 0.8%, or \$608,600.
- Civilian Wages were down \$1.7 million, or 8.3%. In addition to one less SA pay in 2021, reductions were also attributed to CSDs and fewer filled positions.
- Transfers to the City's self insurance fund declined \$1.3 million, reflecting the first health insurance holiday for participating employee groups.
- Offsetting the decreases was a 1.2% increase in Sworn Wages and a slight increase in Holiday Pay.

	Jul-19	Jul-20	Jul-21	\$ Chg.	% Chg.
Sworn Wages	24,448,490	24,978,016	25,272,727	294,711	1.2%
Civilian Wages	19,579,640	20,653,056	18,938,284	(1,714,772)	-8.3%
Sworn Overtime	2,100,565	2,049,092	1,863,620	(185,472)	-9.1%
Civilian Overtime	1,525,574	1,397,826	1,293,990	(103,836)	-7.4%
Fringes	13,024,360	13,275,547	13,168,153	(107,394)	-0.8%
Insurance	9,674,979	10,005,911	8,711,856	(1,294,055)	-12.9%
Holiday Pay	1,477,247	1,509,895	1,515,156	5,261	0.3%
H.S.A.	2,452,594	2,345,412	2,329,093	(16,319)	-0.7%
Civilian Lump Sum	0	0	1,146,860	1,146,860	N.A.
Total Personnel	\$ 74,283,448	\$ 76,214,755	\$ 74,239,738	\$(1,975,017)	-2.6%

Personnel Costs through July



Expenditure Trends



Contracts & Materials

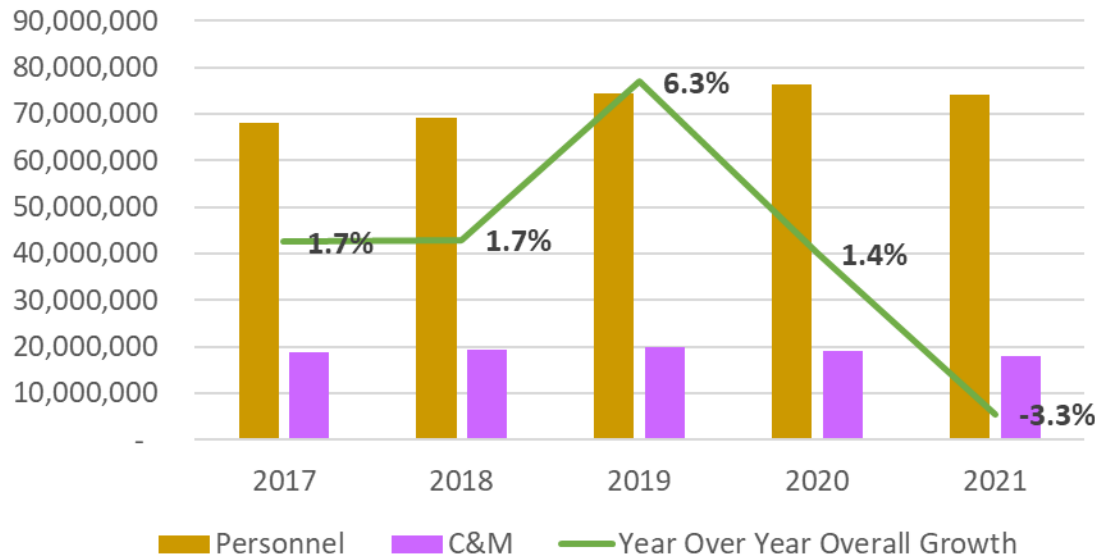
- Excluding Other Uses, Contracts & Materials were down \$1.1 million or 5.9% from July 2020.
- Including Other Uses (i.e. Other Transfers), Uses were down 6.4%, or about \$1.3 million compared to 2020.
- The variance is mainly in Management & Public Service Contracts. Specifically, charges were down \$1.3 million, or 44%, reflecting one less payment to Montgomery County for Regional Dispatch Fees in 2021. Additionally, Montgomery County applied CARES funds to eligible wages resulting in a discount to RDC members and a lower payment.

Description	Jul-19	Jul-20	Jul-21	\$ Chg	% Chg
Maintenance Agreements	1,689,519	1,676,849	1,896,207	219,358	13.1%
Mgmt & Public Svc Contracts	2,986,190	3,067,799	1,720,760	(1,347,039)	-43.9%
Miscellaneous	756,123	550,919	289,434	(261,485)	-47.5%
Payments to Internal Svc Funds	2,715,219	2,678,903	2,426,884	(252,019)	-9.4%
Real Estate Taxes	1,624,098	1,558,723	1,542,758	(15,965)	-1.0%
Rentals	746,648	577,806	552,683	(25,123)	-4.3%
Utilities	1,621,922	1,680,743	2,323,946	643,203	38.3%
Waste Disposal Fees	1,162,837	1,523,602	1,695,754	172,152	11.3%
Professional Services	3,904,512	3,456,112	3,607,921	151,809	4.4%
Supplies & Materials	1,847,075	1,700,256	1,306,683	(393,573)	-23.1%
Gasoline & Diesel Fuel	830,403	754,334	731,307	(23,027)	-3.1%
Subtotal Contracts & Materials	\$ 19,884,544	\$ 19,226,046	\$ 18,094,337	\$(1,131,709)	-5.9%
Other Uses (Transfers)	1,722,350	1,079,100	904,700	(174,400)	-16.2%
Grand Total	\$ 21,606,894	\$ 20,305,146	\$ 18,999,037	\$(1,306,109)	-6.4%

- Supplies expenses were down \$393,600 or 23%. Partially from planned budget tightening in 2021, but also because of COVID-19 necessary PPE purchases in 2020.
- Payments to Internal Service Funds were down \$252,000 or 9%.

Expenditure Trends

Five-Year Expenditure Analysis
2017 - 2021

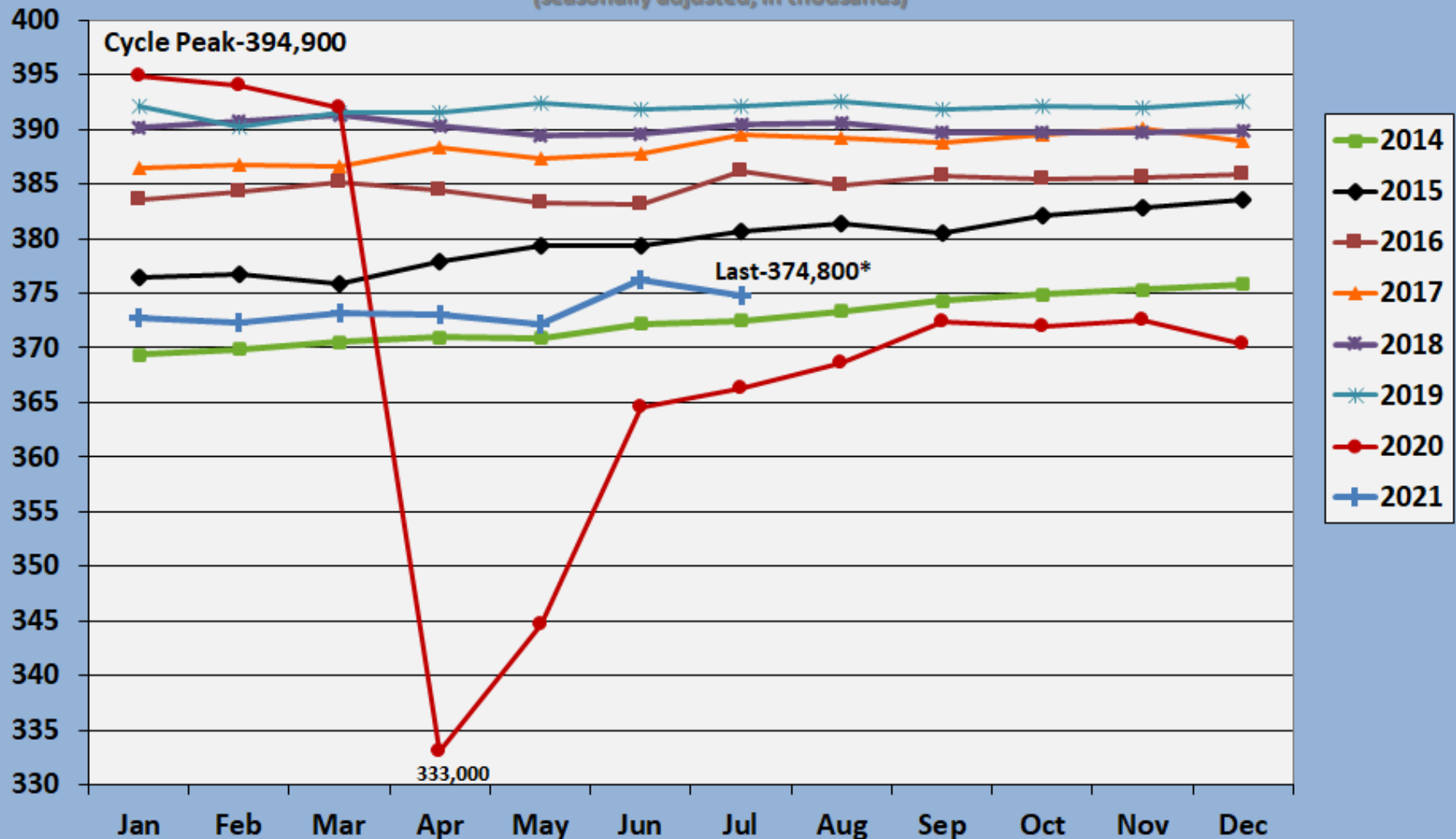


- ❖ Since 2017, Personnel and Contracts & Materials expenses have increased \$5.2 million or 6%:
 - Personnel expenses have climbed over \$6 million or 9%.
 - Contracts & Materials expenses have decreased \$829,500 or 4%.
- ❖ Through July of 2021, Personnel expenses are trending downward, reflecting one health insurance holiday, CSDs, and fewer filled positions, but are expected to increase through the balance of 2021.
- ❖ Contracts & Materials expenditures have a \$1.1 million or 6% decline from 2020 due to pandemic related expense tightening, timing of the Regional Dispatch payment, and an insurance payment adjustment.

Dayton MSA

Total Non-Farm Employment

From Cycle Peak in Jan-2020 to April-2020, the Region Lost 61,900 or 15.7% of the Job Base
 Gains Since April-2020 Register 41,800, but are still 20,100 lower than the 2020 Peak in January
 (seasonally adjusted, in thousands)

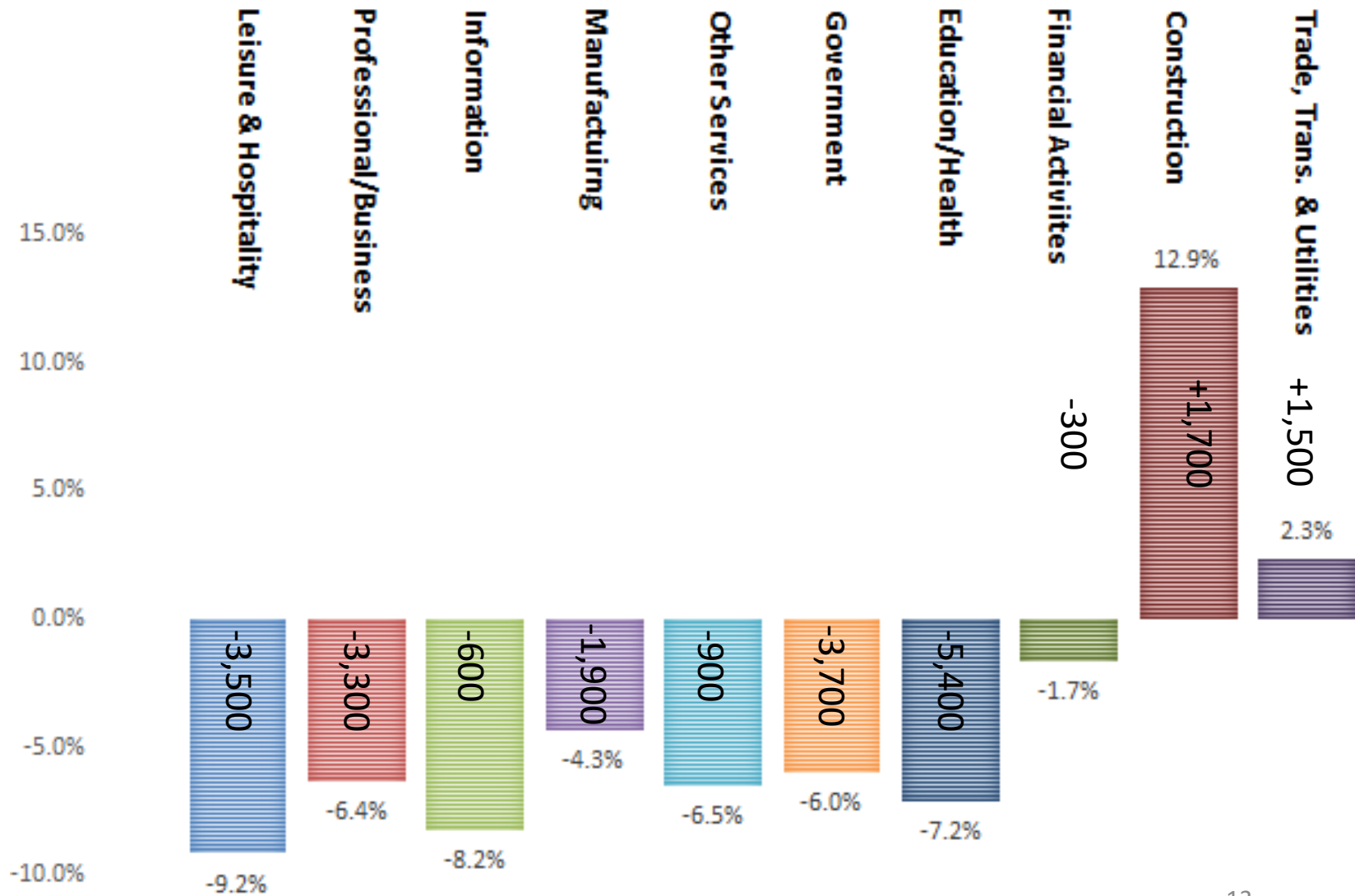


* Preliminary

Seasonally Adjusted, In Thousands

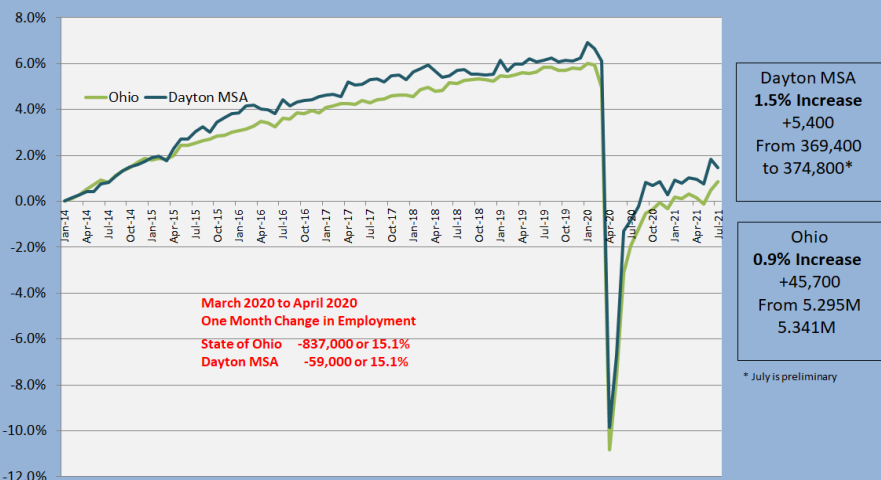
Dayton MSA Employment Change by Industry Sector

Jan 2020 (peak) vs July 2021 (current)



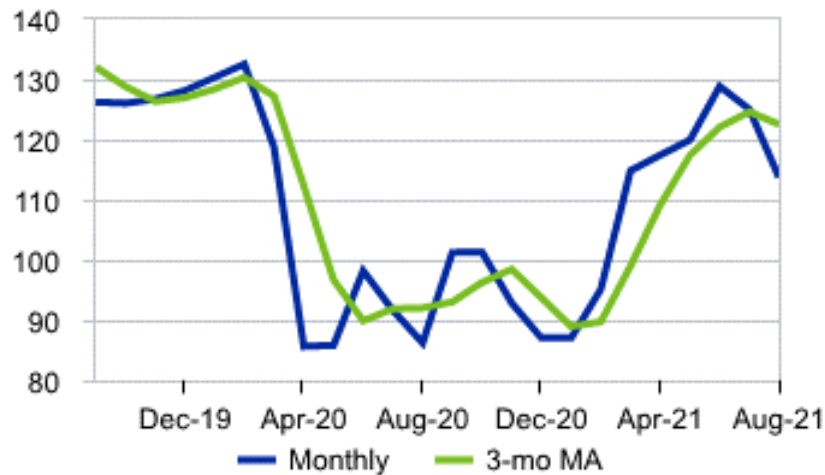
Not Seasonally Adjusted

Dayton MSA vs Ohio Employment Growth Since January 2014



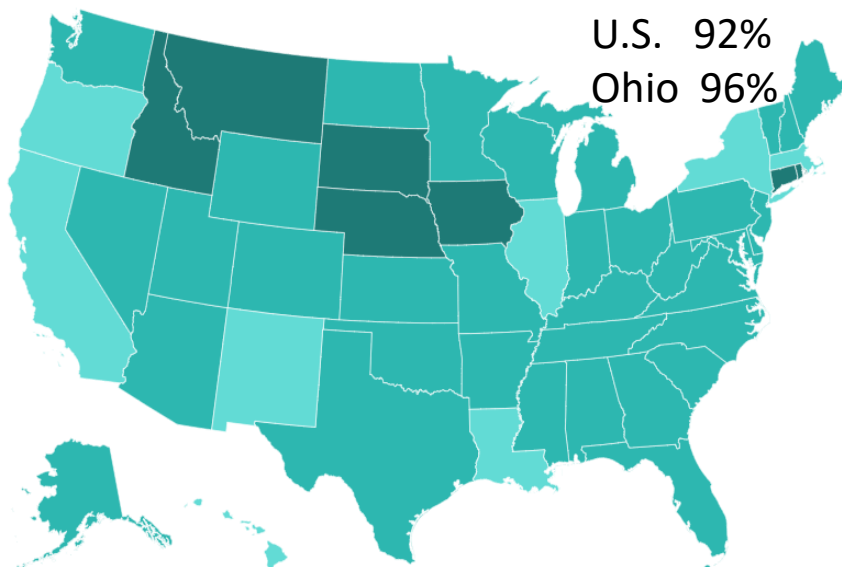
Area	Force	Employed	Unemployed	Jul 2021	Jun 2022	Jul 2020
State Ohio	5,699,700	5,360,800	338,900	5.9%	6.3%	9.5%
Montgomery Co.	244,300	228,100	16,100	6.6%	6.8%	10.9%
Dayton	57,500	52,600	4,900	8.5%	8.6%	14.5%

Consumer Confidence Index 1985=100



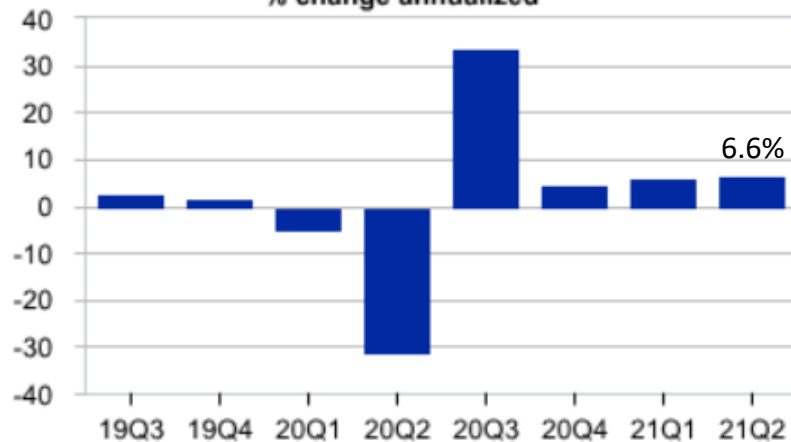
Percent of the way back to normal (100%=normal):

● Less than 60% ● 60% to 69% ● 70% to 79% ● 80% to 89% ● 90% to 99% ● 100% or more



Real GDP

% change annualized



July 2021 Highlights

- Income tax collections outpaced the prior year by 9.1%, or \$7.2 million.
- Losses from work-from-home changes will not be realized until next year, but refunds will apply to this calendar year.
- Personnel costs declined .8% when adjusted for the 2020 additional pay.
- Contracts, Materials and Other Uses were down \$1.3 million, reflecting one fewer RDC payment due to timing and an insurance payment adjustment.
- The transfer for restoration of Issue 9 resurfacing (in addition to \$3.4 million in debt-financing) will occur in September.
- As of July 2021, Sources exceeded Uses by \$15.1 million with an acceleration in expenditures expected through the remainder of the year.